



December 2023

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Tax Changes

A lot remains unknown in the tax space post the formation of the Government. Outlined below are the confirmed and likely tax changes. We will update you as the legislation and policy detail come to hand;

Confirmed

- Tax cuts for individuals have been approved from 1 July 2024
- Re-instate interest deductibility for rental properties as follows;
 - 60% deductible in the 2023/2024 income year;
 - 80% deductible in the 2024/2025 income year; and
 - 100% deductible from the 2025/2026 income year.
- Foreign buyer tax that was talked about for homes over \$2m has been abandoned
- Clean car discount scheme removed from 31 December 2023

Likely

- Bright-line test for residential property to be reduced back to two years with retrospective effect from July 2024. This means properties acquired before July 2022 should no longer be subject to Brightline test at sale
- Increase Trust tax rate to 39%. Not expressly indicated in coalition agreements but expected this will proceed as proposed by the Labour Government
- Depreciation on commercial buildings set to be removed (once again)

IRD Audit Insurance

As many of you will know, we work with Accountancy Insurance to offer Audit Shield. This covers the professional accounting and legal fees incurred when the IRD reviews or audits your business.

We don't want to send unwanted mail-outs. If you have been insured with Audit Shield this year or last, we will automatically send you an offer in February to insure/renew. Otherwise, please contact one of our team or click on the link to find out more. [Click to find out more.](#)

Christmas Hours

Our offices will be closed from midday Friday 22nd December and reopening on Monday 8th January 2024. If you need something urgent over this period please contact Callum on 021 150 2616.

We would like to take this opportunity to thank all our clients for their support and we look forward to working with you all in 2024.

Merry Christmas

Callum, Greg, and the team at Auckland Chartered Accountants

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